

CASH PROGRAMS DIVISION

April 2003

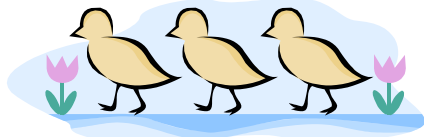
ANNOUNCEMENT!!



HINTS for:
Income Tax Refund (ITR)
Earned Income Tax Credit (EITC)

Effective April 1, 2003, the following Section Heads assumed their new assignments in the Cash Programs Division:

- ❑ CalWORKs & Refugee Programs Section – **Rita Figueroa**
- ❑ Civil Rights & Language Services Section, as well as the Department's Civil Rights Coordinator – **Ofelia Lopez**
- ❑ General Relief & CAPI Programs Section – **Gail Esfahaniha**



CalWORKs Wage-Based Community Service Pilot Project

CalWORKs Program and Welfare-to-Work have teamed to create the Wage-Based Community Service (WBCS) Pilot Project in four CalWORKs districts (Nos. 26, 31, 62, and 27) and South County GAIN Region V. The goal of the pilot is to help participants gain work experience and earn a paycheck.

The process starts when a GAIN participant volunteers for WBCS. Once a participant agrees to participate, the GAIN Services Worker notifies the CalWORKs district via a two way gram, PA 49, to update LEADER. The WBCS pilot is being offered until June 30, 2003.

Participants in the wage-based program will have a portion of their CalWORKs grant diverted to an employer. The participant will receive his/her diverted grant as a paycheck. For CalWORKs, wage-based earnings are treated as non-earned income. For Food Stamps, wage-based earnings are treated as earned income.

Participants will be required to pay any applicable federal or State payroll taxes. They may qualify for Earned Income Tax Credit (EITC). To determine if a participant is eligible for EITC, the participant must complete the EIC checklist prior to being assigned to WBCS. Participants in WBCS will benefit from the knowledge gained and real life work experience.



CalWORKs PROGRAMS TO HELP PAY LATE RENT/UTILITY BILLS AND MOVING EXPENSES

Participants with a financial hardship (such as being time-limited or losing a job), which prevents them from paying their rent and/or utility bills or requires them to move, may be able to get financial help. Have them call the Hot Line in GAIN Region V at (800) 746-1197 for information about applying for the Emergency Assistance to Prevent Eviction and Moving Assistance Programs.

ITRs are:

- Non-recurring lump sum payments
- Subject to resource/personal property limits for CalWORKs and Food Stamps
- Disregarded for CAPI
- Unearned Income for General Relief



EITCs are:

- Exempt for General Relief
- Exempt for CAPI
- Resource in the month received for Food Stamps.
- Exempt for CalWORKs in the month received. Following month becomes property which is excluded. If retained beyond two months, apply FS rules for treatment of property.



VERIFYING EITC:

- Federal Income Tax Forms:
 - 1040 - line 64
 - 1040A - line 41
 - 1040EZ - line 8
- Pay Stubs/Employer (For monthly receipt of EITC)

DON'T FORGET:

When selecting the frequency of income on LEADER be sure to show ITR & EITC as "**Lump Sum - Y.**"

CalWORKs Q & A:

Can a caretaker relative receive CalWORKs for a child who does not have a Social Security Number (SSN)?

Yes, most caretaker relatives may not have all the documentation required by the Social Security Administration (SSA). As long as the caretaker relative provides proof of an application for an SSN for the child, the child is eligible. If the application is not processed or is denied by SSA, the caretaker relative can complete an affidavit every 30 days until an application is processed which should include date of SSN application, person involved and actions taken to provide to the SSA. (Refer to PIH #468, dated 7/1/88 and EAS 40-105, 40-107.)

- From the **Go To Navigator**, select the **Data Collection** subsystem, **Individual Summary** screen.
- Select the person and click on "details" which will take you to the **Individual Demographic Information** screen.
- Enter "Y" under Applied, "Received" for verification and enter the source provided under source.

LEADER currently sets a 10 day control to provide the SSN.